

12/19/78

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Hamilton Jordan to Pres. Carter, 1 pg., re:DNC reception <i>Open 6/1/82</i>	n.d.	A
Memo	Watson to Pres. Carter, w/attachments 5 pp., re:Mtg. w/Brock Adams <i>/p. declared per RAC NLC-126-15-25-1-8, 6/27/13</i>	11/24/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File, 12/19/78 Box 112

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~~CONFIDENTIAL~~

TO: PRESIDENT CARTER
FROM: HAMILTON JORDAN *H.J.*
RE: REQUEST TO DO DNC RECEPTION AT WHITE HOUSE

As requested, I checked with Tim, John White and others regarding the necessity of doing the Finance Council Reception at the White House.

First, I think it is important that we do something at the White House even if you do not attend. My own suggestion would be to have your wife and/or the Vice-President host the function. You could hold open the option of dropping by and making five minutes of comments. *ok* *?*

This group of people is very important to us for the future and some contact with you is important. Also, the DNC continues to be in a weak financial situation.

Revised:
12/19/78
9:00 a.m.

THE PRESIDENT'S SCHEDULE

Tuesday - December 19, 1978

NOT ISSUED

8:15 Dr. Zbigniew Brzezinski - The Oval Office.

9:30 Budget Appeals Session. (Mr. James McIntyre).
(2 hrs.) The Cabinet Room.

10:00 To Roosevelt Room to Drop-By Energy Coordinating
(5 min.) Committee Meeting. (Secretary James Schlesinger).

10:05 Return to Budget Appeals Session - The Cabinet Room.

11:30 Mr. Jody Powell - The Oval Office.

12:00 Lunch with Vice President Walter F. Mondale,
Secretary Cyrus Vance et al. (Dr. Zbigniew
Brzezinski) - The Cabinet Room.

1:15 General Alexander M. Haig, Jr. (Dr. Zbigniew
(30 min.) Brzezinski) - The Oval Office.

2:00 Drop-By Inflation Briefing for Consumer Group.
(10 min.) (Mrs. Anne Wexler) - The Cabinet Room.

2:30 Senator Birch Bayh. (Mr. Frank Moore).
(10 min.) The Oval Office.

2:45 Meeting with the Joint Chiefs of Staff.
(45 min.) (Dr. Zbigniew Brzezinski) - The Cabinet Room.

2:00 PM

THE WHITE HOUSE

WASHINGTON

December 18, 1978

MEETING WITH COIN
(Consumers Opposed to Inflation
in the Necessities)

Tuesday, December 19, 1978

2:00 p.m. - 2:15 p.m.

The Cabinet Room

FROM: Anne Wexler *AW*
Esther Peterson *EP*

I. PURPOSE

To develop citizen and consumer group support for the anti-inflation program; to show your concern about the effects of inflation with regard to four necessities or "sectors" (food, energy, housing, and health care); to listen to the views of COIN, a coalition of major consumer, labor, environmental, and senior citizens groups; and to announce the formation of task forces to make recommendations as to actions in the four sectors.

II. BACKGROUND, PARTICIPANTS, AND PRESS PLAN

A. Background

1. The formation of COIN was announced just prior to your October 24 anti-inflation address to the nation. Among the supporters of COIN are Ralph Nader, The Consumer Federation of America, and several unions, including the AFL-CIO, the UAW, and the Machinists. Gar Alperovitz, the economist who came up with the idea of COIN, has discussed it with members of the White House staff, including both of us and Fred Kahn. Fred has been expressing concern about inflation in the four sectors in his public appearances, and you expressed similar concern in your recent interview with Barbara Walters.
2. The meeting will begin at 1:00 p.m. Present from the Administration at the beginning will be Anne Wexler, Esther Peterson, and Fred Kahn. They will make brief remarks and then will spend most of the hour listening to presentations from COIN representatives with regard to each of the four sectors. At

1:55 p.m., Esther will leave the meeting in order to discuss last-minute matters with you. At the same time, Anne will depart for the East Room, where she, Barry Bosworth and Fred (later) will be speaking to an anti-inflation briefing for community and business leaders.

3. When you arrive, the group will be talking with Fred. After you shake hands around the table, the press will be admitted for your opening remarks. After the press departs, COIN representatives will make presentations to you, and you will then make brief concluding remarks. (See attached agenda.)

B. Participants:

A list of those expected to attend is attached. This group includes some individuals who have been sharply critical of the Administration on major issues. In particular, Ralph Nader, Mark Green, and Kathleen O'Reilly (Executive Director, Consumer Federation of America) have strongly disagreed with our approach to many consumer, safety and health problems; James Flug (Executive Director, Energy Action) and William Wimpinsinger (President, Machinists) have consistently attacked our energy policy, with Wimpinsinger threatening to withhold campaign funds from any Senator or Congressman who voted for the natural gas bill. The COIN leadership has assured Esther, however, that at this meeting participants will eschew confrontation in favor of a productive exchange of views.

C. Press Plan:

The White House Photo and Press Pool will be present for your brief opening remarks. In addition, we recommend that you authorize release of a statement (to be submitted later today) at the conclusion of the meeting.

III. TALKING POINTS

Talking points prepared by the speechwriters will be submitted separately.

THE WHITE HOUSE

WASHINGTON

MEETING WITH COIN

Tuesday, December 19, 1978

The Cabinet Room

AGENDA

1:00 p.m.	Welcome	Anne Wexler Assistant to the President
1:05 p.m.	Introductions	Esther Peterson, Special Assistant to the President for Consumer Affairs
1:10 p.m.	Remarks	Alfred Kahn, Adviser to the President on Inflation
1:15 p.m.	Presentations by COIN	Gar Alperovitz, Economist Kathleen O'Reilly Consumer Federation of America Ellen Haas Community Nutrition Institute James Flug Energy Action Committee William Hutton National Council of Senior Citizens
1:40 p.m.	Responsive Remarks Answering of Questions	Alfred Kahn
1:55 p.m.	Anne Wexler departs for East Room Esther Peterson departs for Oval Office Alfred Kahn remains to answer further questions	

2:00 p.m. President enters and shakes hands
around table

2:01 p.m. (Press admitted after President
is seated.)

2:02 p.m. Remarks The President

(Press departs at conclusion
of President's remarks.)

2:05 p.m. Presentation by COIN

2:12 p.m. Concluding Remarks The President

COIN Meeting with President, December 19, 1978, 1 - 2:15 p.m.

Expected Attendees

Gar Alperovitz
Exploratory Project for Economic Alternatives

Seth Borgos
Acorn

Fred Branfman
California Public Policy Center

Edward Carlough
Sheet Metal Workers

George Coling, II
Urban Environment Conference

Russell Conlon
Int'l Union of Operating Engineers

A. Blakeman Early
Environmental Action

Jeff Faux
Exploratory Project for Economic Alternatives

Max Fine
Committee for National Health Insurance

James Flug
Energy Action

Robert Georgine
President, AFL-CIO Building Trades Department

Arch Gilles
Director, John Hay Whitney Foundation

Mark Green
Public Citizen

Richard Greenwood
Int'l Association of Machinists

Richard Grossman
Environmentalists for Full Employment

Ellen Haas
Community Nutrition Institute

Tom Hayden
California Campaign for Economic Democracy

Roger Hickey
COIN Executive Director

David Hunter
Director, The Stern Fund

William Hutton
National Council of Senior Citizens

Francis Klafter
National Gray Panthers

David Masselli
Friends of the Earth

Calvin Moore
Oil, Chemical & Atomic Workers

Ralph Nader
Public Citizen

Kathleen O'Reilly
Consumer Federation of America

Sandy Solomon
National Urban Coalition

Stanley Weiss
COIN

Sandra Willett
National Consumers League

E.T. Winburn
United Ass'n of Journeymen, Plumbing & Pipefitting Industry

William Wimpinsinger
International Association of Machinists

Frances Zwenig
Congress Watch

Statement by the President at
COIN (Consumers Opposed to Inflation in the Necessities)
December 19, 1978

The inflation which has doubled the cost of living in the last 11 years has cruelly eaten away the income and savings of millions of Americans. It has undermined the security and confidence of the American people. It threatens our continued efforts to produce jobs and economic growth. I am committed to bringing inflation under control, and with your help, we will succeed.

I do not have to tell you about the dimensions of this problem. You see it every day when you purchase food, energy, health care, or housing. Nearly three out of every four dollars spent by American families today go for these necessities. Their prices have gone up nearly twice as fast as all other costs in recent years.

For most Americans and their children inflation does not threaten luxuries; it threatens the daily quality of their lives.

We are committed to taking specific steps to bring inflation under control in the costs of these basic necessities.

Hospital costs have jumped 1,000 percent since 1950, impoverishing and bankrupting thousands of families. We can hold inflation down in hospital care, and we will this year by passing hospital cost containment legislation.

We drastically reduced the cost of air travel in our nation last year by freeing the airline industry of excess government regulation. We can reduce the costs of thousands of products from produce to machinery by deregulating the trucking and railroad industries, and this year we will.

I have directed my chief inflation fighter, Fred Kahn, to organize staff working groups to work with you and other consumer groups to take additional, specific steps to hold

down inflation in basic necessities. I expect their recommendations soon.

Consumers always seem to be the last to know and the last to be consulted about what they pay for products and services in the marketplace. This Administration wants to hear your voice. And we want your views before decisions are made. We should have had a consumer protection agency in government, and I regret that this legislation did not pass.

You have spoken up for consumers throughout this nation effectively. I want COIN to be a partner of this Administration in our common efforts to control inflation.

#

THE WHITE HOUSE

WASHINGTON

December 18, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BERNIE ARONSON, ^{BA} BOB RACKLEFF ^{BR}

SUBJECT: Talking Points for COIN Meeting, 12/19/78
(After the Press has gone)

1. The steps you have outlined here make a great deal of sense to me. You can count on this Administration to work very closely with the consumer movement to ensure justice in the marketplace -- especially in containing the prices that people must pay for the necessities of life.

We often say that inflation is the cruelest tax. That's especially so when you consider that the cost of basics -- food, shelter, fuel and health care -- has increased at about twice the rate of all other costs. For families which must spend most, if not all, of their income on necessities, this aspect of our inflation is an especially cruel burden.

2. Consumers -- by that I mean the American public -- are too often the most ignored group in our economy. Government often thinks of consumers as a "special" interest to be served along with others. Well, in this Administration, consumers are not a special interest -- they are the main interest -- the main reason we are confronting inflation, along with our other economic problems.

That's why I brought the consumer advocate back to the White House and appointed Esther Peterson to that post. Esther has been doing a very effective job, and I am very proud of her. And that's why this Administration has made a great effort to bring you into the decision-making.

3. Let me say frankly that we will not agree on every specific measure in fighting inflation. But I don't think any of us will insist on unanimity. We all share enough of the same goals to work together effectively.

Pressure by American consumers and consumer organizations can help significantly to keep prices in line. In fact, there

is no greater force in this society than the voice of the public, when that voice is raised. In the case of our voluntary anti-inflation program, that voice is indispensable.

4. In the meantime, Fred Kahn has organized staff working groups to find specific measures to control prices in essential sectors -- food, energy, health care and housing. We added the transportation sector to that, as well. We are already convinced that hospital cost containment and transportation deregulation can be effective measures. This coming year, these will be major programs we want to get through Congress. I am convinced that we can find other measures that will work, and I look forward to hearing from the working groups soon.

I have also asked Fred to work closely with Esther in keeping open our lines of communication with COIN. We all have a great deal to gain by talking with each other regularly and frankly.

5. Finally, let me congratulate COIN for a very promising start. The fact that we have increased our emphasis on a sector approach to containing price increases owes a great deal to your efforts. Wage-price standards, fiscal restraint, and regulatory reform alone can't do the job. The sector approach can fill the gap where these other measures fail.

Most important, I think that the sector approach -- and the efforts by COIN -- fill a need that we all recognize. That is to bring consumers more closely into government decision-making. I believe that this may be the most crucial part of our anti-inflation strategy.

#

10:00 AM

PERSONAL & CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

November 24, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JACK WATSON *Jack*
SUBJECT: Meeting with Secretary Brock Adams

Secretary Adams is scheduled to see you for twenty minutes on Tuesday, November 28. This meeting is at Brock's request.

Attached is a 2½ page personal and confidential memorandum to you from Brock summarizing DoT achievements and mistakes over the past two years. I have discussed this document and the meeting with Brock.

I believe that Brock needs private time with you to share his own assessment of his accomplishments and failures as Secretary. Therefore, I am forwarding his memorandum to you without wider staff review and recommending that you see Brock alone.

There is no need for any immediate decisions on your part, and a private meeting between you and Brock could, I think, pay some good dividends. Though he does not seek it, some encouragement from you would be much appreciated. I think that Brock was more than a little upset by the recent U. S. News and World Report article that gave him the lowest rating of any member of your Cabinet.

(As an addendum, I thought I should mention that Brock has recently spoken out in strong support of trucking deregulation, and he is establishing a high level and well-staffed group within the Department to push for legislation. Although Stu and I believe that it is essential that DoT work closely with other agencies -- and particularly with Fred Kahn -- we believe Brock is to be highly commended for his work.)

Attachment

Electrostatic Copy Made
for Preservation Purposes

DECLASSIFIED
Per, Rac Project
ESDN: NLC-136-15-24-1-8
BY KJ NARA DATE 6/25/13

THE WHITE HOUSE

WASHINGTON

December 18, 1978

MEMORANDUM FOR: THE PRESIDENT
FROM: STU EIZENSTAT *Stu*
SUBJECT: Defense Budget

I have previously given you my views on the size of next year's defense budget, and do not think you need to have them repeated. Before tomorrow's defense budget meeting, however, I would like to make a few additional points:

1) Whatever decision you make tomorrow on the level of spending, I urge you not to disclose it until the final budget session on Friday. At that session, you will have a final opportunity to shift funds between programs, and I hope you will maintain maximum flexibility until then. That will be much harder if your defense spending level is known before Friday, which would no doubt occur if you announce a decision.

2) I think it is important that, whatever defense level you choose, the programmatic justifications be clearly present and be publicly emphasized. We should avoid presentations of the defense budget which justify the 3% or lower figure in terms of the NATO commitment. Rather, we should be certain that DOD can efficiently use and justify a 3% real increase. As you know, OMB believes that a 3% real increase is not supported by DOD's program requests. Just as importantly, in presenting the budget to the public we should stress the additional defense weapons and programs which can be purchased for the 3% increase, and not the fulfillment of a NATO commitment. We need to avoid appearing to have reached 3% only to meet the commitment.

3) At the Democratic Mid-term Convention, it became ever clearer to me than before that the defense vs. domestic budget debate has the potential to split the Party. While a great many of the mayors, black leaders, and others I talked to were obviously concerned about the domestic cuts, they were especially upset that the cuts were coming during

ADMINISTRATIVELY CONFIDENTIAL

a period of peace time defense increases. The fact that we planned to honor a commitment on defense spending and not what they believed were equally firm commitments on certain domestic programs provided the impetus for the budget resolutions fight. To provide the Convention with a resolution which could win and which we could accept, we drafted, in conjunction with Ham, John White, Tim and Frank, a resolution calling for "equal scrutiny" in the budget process of the defense and the domestic budgets. On the floor, when we were lobbying for our budget resolution, one of the major selling points was the "equal scrutiny" provision. The Party was in fact voting on a Resolution that avoided firm budget commitments but sought an equitable budget process.

I continue to believe we can convince our basic constituents that the process has been fair, and all parts of the budget were scrutinized equally, if the real defense increase is kept below 3%. There will, of course, be many among our constituents who will be dissatisfied with any real increases in a time of domestic cutbacks, but the people we really need and can count on -- the Coleman Youngs and the Doug Frasers -- can be brought into our camp if the symbolic 3% figure is not reached. To them the 3% target is the symbol of our commitment to the disadvantaged and the minorities -- to the extent we do not reach it, even if we do so by having a 2-2.5% real defense increase, we can persuade them that your concern for domestic priorities forced a shifting of funds to the domestic side. That will immeasurably help in rounding up support for the budget among our constituents. I think we should be reluctant about giving the liberal segment of the Party a rallying flag by sticking to what will be perceived as not an austerity budget but rather a budget in which domestic programs were picked clean to fund large increases across the board in defense programs at a time of peace.

6309

THE WHITE HOUSE
WASHINGTON
19 Dec 78

Frank Press

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

THE WHITE HOUSE
WASHINGTON

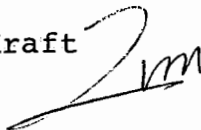
12/18/78

Mr. President:

About 50 of the prints have
already been sold for \$1000.

The remaining 50 will be
sold for at least \$2000.
Evan Dobelle may use a few
for very large donors.

Tim Kraft

A handwritten signature in dark ink, appearing to be 'Tim Kraft' with a stylized flourish at the end.

THE WHITE HOUSE
WASHINGTON

December 18, 1978

MEMORANDUM TO: THE PRESIDENT

FROM: Frank Press *df*

Exciting discoveries are being made as scientists continue to analyze the Pioneer-Venus data. Would you like to have a briefing by the scientists involved, in the White House theatre some late afternoon?

President approves _____

Invite other White House staff _____

Not at this time ☒ _____

*Later -
time before
Xmas
J*

Enclosed is a spectacular photograph of Jupiter taken from Voyager I last week on its approach to a March encounter. It is more detailed than the best groundbased telescopic photograph. A description of the Great Red Spot and other features is on the back.

Enclosure

TRANSFER SHEET

Jimmy Carter Library

COLLECTION: Carter Presidential Papers-Staff Offices, Office
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The following material was withdrawn from this segment of the collection and transferred to the XXXAudiovisual Collection Museum Collection Book Collection
 Other (Specify:)

DESCRIPTION:

8" x 10" color photo of Jupiter taken by Voyager 1-1 on 12/14/78
Back of photo contains paragraph describing physical characteristics
of Jupiter and photo reproduction technique

Series: Office of Staff Sec.-Presidential
Handwriting File

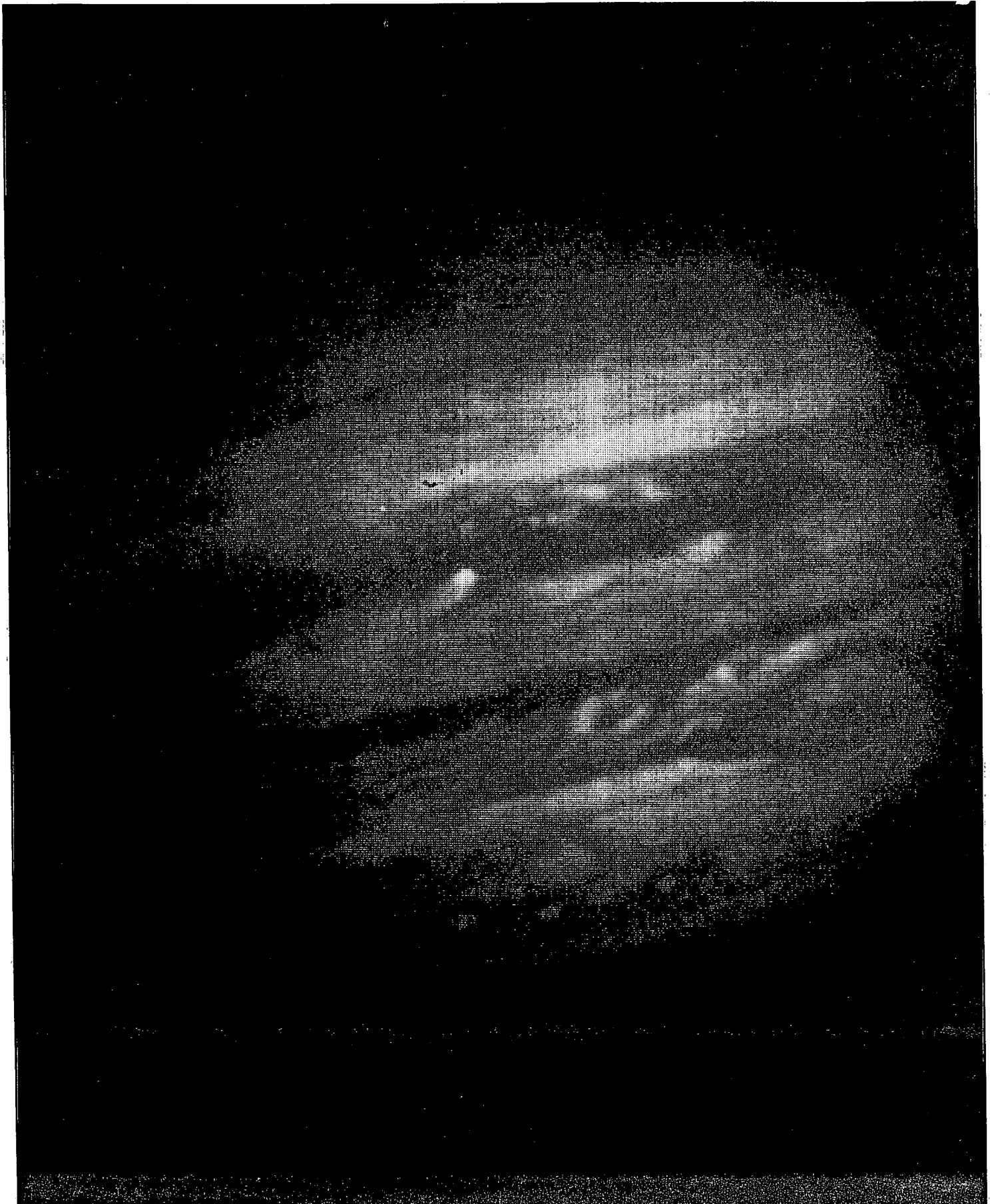
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Date of Transfer: 4/4/91

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for Preservation Purposes**



TOP

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JET PROPULSION LABORATORY
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NATIONAL AERONAUTICS AND SPACE ADMINISTRATION
PASADENA, CALIFORNIA. TELEPHONE (213) 354-5011

PHOTO CAPTION

VOYAGER 1-1
P-20829C Jupiter
December 14, 1978

Revealing more detail than the very best groundbased telescopic photographs, this Voyager 1 image of Jupiter taken December 10 from 52 million miles shows the Great Red Spot (lower right) surrounded by a colorful and turbulent atmosphere. The entire visible surface of Jupiter is made up of multiple layers of clouds, composed primarily of ammonia ice crystals colored by small amounts of materials of unknown composition. Near the center is a bright convective cloud and an associated plume which has been swept westward (to the left) by local currents in the planet's equatorial wind system. This same atmospheric feature was seen prominently in the Pioneer 10 and 11 spacecraft pictures of Jupiter taken four and five years ago this month. Below and to the left of the Great Red Spot is a white oval cloud, one of three which formed nearly 40 years ago in the south temperate region. Largest of all of the planets, Jupiter's volume could contain more than 1200 Earths. Voyager 1 will fly past Jupiter on March 5, 1979, studying the planet and five of its 13 moons, and continue on to Saturn. An identical spacecraft, Voyager 2, arrives at Jupiter on July 9, 1979, and will proceed to Saturn and possibly Uranus. Both were launched in 1977. Among 11 science instruments, each spacecraft is equipped with two slow-scan TV cameras. This picture was taken with a camera equipped with a 1500 millimeter focal-length telescope. The color image was recreated from three TV frames, each taken through a different filter -- green, orange and blue.

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Significant
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Warlike crippled
SALT II over
SALT III
MBFR

mtg in Calver
12-8-78

> NATO-Alliances
> Mid E

Defense Budget

SALT II

MBFR

CTB

AID

Namibia

Rhodesia

Nicaragua

> Econ Summits
Guadalupe

> PRC

New Senators
12/7/78

7 A breakfast
10-8-78

THE WHITE HOUSE
WASHINGTON

Iran - JC statement

Turkey leaves

Mid East

SALT - encryption

20 - 35

Cuba Salt III
MB 7R

SALT II fight

- 16% weapons sales

Nuclear prolif

ACDA imbalance new

Wanke crippled

Nicaragua

Guadelupe

PRC

8

6310

THE WHITE HOUSE
WASHINGTON
19 Dec 78

Zbig Brzezinski

The attached was returned in
the President's outbox today
and is forwarded to you for
appropriate handling.

Rick Hutcheson

Jody Powell
Jerry Rafshoon



THE WHITE HOUSE
WASHINGTON

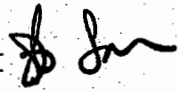
ACTION

December 18, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

ZBIGNIEW BRZEZINSKI 

SUBJECT:

Letters of Appreciation to Participants
in the Guyana Operation

In response to your request, attached are letters of appreciation to Harold Brown (Tab A), the Secretaries of the Army and Air Force (Tab B & C), and the Chairman of the JCS (Tab D). To underscore your deep appreciation for the military's outstanding performance in the difficult Guyana task you may wish to handwrite a note on each letter.

I have also attached at Tab E a list of all those units participating and their roles in the operation.

The Department of Defense will quote your remarks in a message that will be sent to the Commanders of every unit participating and read aloud to the men and women involved.

The text of the letters has been cleared with the speech-writer.

RECOMMENDATION:

That you sign the letters to Harold, the two Secretaries, and the Chairman of the JCS.

THE WHITE HOUSE
WASHINGTON

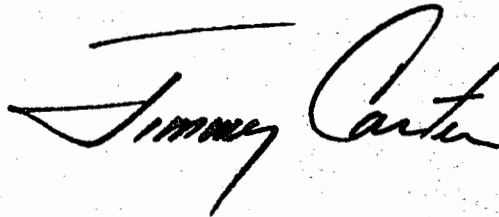
To Harold Brown

I was deeply moved by the exemplary performance of our U.S. Army and Air Force personnel in the wake of the recent tragedy in Guyana.

The job they were called on to perform was hardly what a young soldier or airman expects when he or she joins the military. This effort was accomplished with great professionalism and sensitivity. I appreciate their dedication and service in this most difficult and trying assignment.

Please pass on my personal regards and appreciation to all the servicemen and women who participated.

Sincerely,

A handwritten signature in dark ink, reading "Jimmy Carter". The signature is fluid and cursive, with a large, sweeping "C" at the end.

The Honorable Harold Brown
Secretary of Defense
Washington, D.C. 20301

THE WHITE HOUSE
WASHINGTON

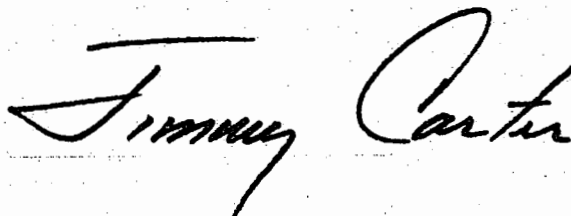
To Clifford Alexander

I was deeply moved by the exemplary performance of our U.S. Army personnel in the wake of the recent tragedy in Guyana.

The job they were called on to perform was hardly what a young soldier expects when he or she joins the military. This effort was accomplished with great professionalism and sensitivity. I appreciate their dedication and service in this most difficult and trying assignment.

Please pass on my personal regards and appreciation to all the servicemen and women who participated.

Sincerely,

A handwritten signature in cursive script that reads "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

The Honorable Clifford L. Alexander, Jr.
Secretary of the Army
Washington, D.C. 20310

THE WHITE HOUSE
WASHINGTON

To John Stetson

I was deeply moved by the exemplary performance of our U.S. Air Force personnel in the wake of the recent tragedy in Guyana.

The job they were called on to perform was hardly what a young airman expects when he or she joins the military. This effort was accomplished with great professionalism and sensitivity. I appreciate their dedication and service in this most difficult and trying assignment.

Please pass on my personal regards and appreciation to all the servicemen and women who participated.

Sincerely,

Jimmy Carter

The Honorable John C. Stetson
Secretary of the Air Force
Washington, D.C. 20330

THE WHITE HOUSE

WASHINGTON

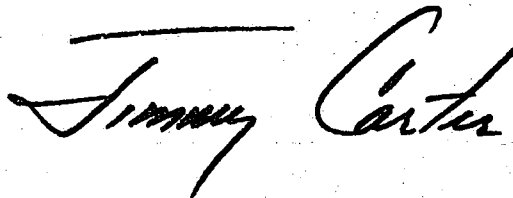
To General David Jones

I was deeply moved by the exemplary performance of our U.S. Army and Air Force personnel in the wake of the recent tragedy in Guyana.

The job they were called on to perform was hardly what a young soldier or airman expects when he or she joins the military. This effort was accomplished with great professionalism and sensitivity. I appreciate their dedication and service in this most difficult and trying assignment.

Please pass on my personal regards and appreciation to all the servicemen and women who participated.

Sincerely,

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned below the word "Sincerely,".

General David C. Jones, USAF
Chairman, Joint Chiefs of Staff
Washington, D.C. 20301

Subject: Military Units Involved in the Guyana Evacuation Operation

The following units participated in the Guyana evacuation. A brief description of their roles in the operation is included:

<u>UNIT</u>	<u>ROLE</u>
Military Airlift Command 60th MAW, Travis AFB, TX 62nd MAW, McChord AFB, WA 63rd MAW, Norton AFB, CA 437th MAW, Charleston AFB, SC 438th MAW, McGuire AFB, NJ	Provided C-141 aircraft for logistic support and evacuation of injured and dead.
436th MAW/CC, Dover AFB, NJ	Provided base support for processing and identifying remains.
Air National Guard 137th TAW, Oklahoma City, OK 139th TAG, St Joseph, MO	Provided C-130 aircraft for logistic support.
USCINCSO 114th Aviation Company 352nd Aviation Detachment 193rd Infantry Brigade	Provided in-country command, control, and security support (JTF command element)
Air Rescue and Recovery Service 49th ARRW, Eglin AFB, FL	Provided HH-53 helicopters for in-country rescue and evacuation operations.
Armed Forces Institute of Pathology, Walter Reed Hospital, Washington, DC	Provided mortuary assistance at Dover AFB.

36th Medical Clearance Platoon,
Fort Bragg, NC

Provided in-country medical support.

498th Medical Company, Fort
Benning, GA

Provided Medevac helicopters.

530th S-S (Graves Registration),
Fort Bragg, NC

Provided in-country support
in processing remains.

1st COSCOM, XVIII Airborne Corps,
Fort Bragg, NC

Provided in-country command
and support functions.

Joint Communication Support Element
(JCSE), MacDill AFB, FL

Provided in-country communi-
cations support.

330th Transportation Company,
Fort Bragg, NC

Provided in-country trans-
portation control.

Fort Bliss, TX
Fort Lee, VA
Fort McClellan, AL
Randolph AFB, TX

Provided mortuary support
personnel to Dover AFB.

8

THE WHITE HOUSE
WASHINGTON

19 Dec 78

Hamilton Jordan
Tim Kraft
Evan Dobelle

The attached was returned in
the President's outbox. It is
forwarded to you for your
information.

Rick Hutcheson

ADMINISTRATIVELY CONFIDENTIAL

FOR STAFFING
FOR INFORMATION
FROM PRESIDENT'S OUTBOX
LOG IN/TO PRESIDENT TODAY
IMMEDIATE TURNAROUND
NO DEADLINE
LAST DAY FOR ACTION

<input checked="" type="checkbox"/> ADMIN CONFIDENTIAL
<input type="checkbox"/> CONFIDENTIAL
<input type="checkbox"/> SECRET
<input type="checkbox"/> EYES ONLY

ACTION
FYI

	VICE PRESIDENT
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<input checked="" type="checkbox"/>	JORDAN
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	EIZENSTAT
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<input checked="" type="checkbox"/>	KRAFT
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	LIPSHUTZ
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	MOORE
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	POWELL
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	RAFSHOON
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	WATSON
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	WEXLER
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	BRZEZINSKI
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	MCINTYRE
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	SCHULTZE
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	ADAMS
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	ANDRUS
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	BELL
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	BERGLAND
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	BLUMENTHAL
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	BROWN
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	CALIFANO
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	HARRIS
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	KREPS
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	MARSHALL
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	SCHLESINGER
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	STRAUSS
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	VANCE
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	ARAGON
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	BUTLER
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	H. CARTER
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	CLOUGH
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	CRUIKSHANK
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	FALLOWS
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	FIRST LADY
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	GAMMILL
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	HARDEN
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<input checked="" type="checkbox"/>	HUTCHESON
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	LINDER
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	MARTIN
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	MOE
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	PETERSON
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	PETTIGREW
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	PRESS
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	SANDERS
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	VOORDE
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	WARREN
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	WISE
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cc EVAN
Dobelle
include both notes

THE WHITE HOUSE
WASHINGTON

15 December 1978

*What will be
price of
prints?*

MEMORANDUM FOR THE PRESIDENT

FROM: HAMILTON JORDAN *HJ*
TIM KRAFT *TK*

SUBJECT: Warhol Prints

We urge you to reconsider your decision not to sign the Andy Warhol portraits of you done for the DNC. We agree that it would not be proper for you to sign the prints if this were a commercial project initiated by Warhol. However:

- o The DNC approached Warhol in the summer of 1977 and hired him to do the prints. The DNC is paying him \$50,000 for the project -- about half of what he would make if this were a normal commercial venture. Warhol did several projects for free during the 1976 campaign, and is likely to do so again in 1980.
- o These prints will not be sold through galleries and dealers; they will be sold only by the DNC. In all cases they are going to DNC contributors. All funds received for the prints are considered a contribution to the DNC.

We do not think your signing the prints under these circumstances is too different from your attending a fundraising dinner, where the DNC pays for a ballroom, dinners and entertainment.

Another point to consider is that the DNC badly needs the money. Your signature makes the prints more valuable. Although no commitment was made that you would sign the prints, the DNC obviously initiated the project in hopes that you would sign them. The prints, signed by Warhol, have been waiting here in the White House for more than six months. Money from the sale of these prints is needed to defray costs from the Midterm Conference, and to meet current operating expenses.

If you agree to sign the prints, it would take no more than 15 minutes of your time -- and would amount to one of the quickest and easiest fundraisers you have done for the DNC.

☒ approve signing prints ☐ disapprove *J*

THE WHITE HOUSE
WASHINGTON

12/14/78

TO: TIM KRAFT
HAMILTON JORDAN

FROM: RICK HUTCHESON
TOM BEARD

Rick

We recommend that you sign the attached memo. We should make one last attempt to get the President to sign the Warhol prints before Congress gets back and the January rush is upon us.

*Don't send it til
~~the 1st of next week.~~
1st of next week.
N.D.*

2:30 PM

THE WHITE HOUSE

WASHINGTON

December 18, 1978

MEETING WITH SENATOR BIRCH BAYH

Tuesday, December 19, 1978

2:30 p.m. (10 minutes)

Oval Office

From: Frank Moore

F.M./dr

I. PURPOSE

To discuss the possibility of appointing his Administrative Assistant, P.A. Mack, to the Federal Reserve Board.

II. BACKGROUND, PARTICIPANTS & PRESS PLAN

- A. Background: Senator Bayh was disappointed that you did not nominate his Administrative Assistant to the Federal Reserve Board last year (we nominated Nancy Teeters who is also from Indiana). The Senator has talked with my office, Hamilton, and Tim about the chances of P.A. being appointed to the next available vacancy.

P.A. Mack has been Senator Bayh's Administrative Assistant for 16 years and has been one of his closest personal friends for an even longer period. According to the Senator, P.A. expressed an interest in serving on the Board of Governors about two years ago, feeling that his experience would lend itself to such a position. (His family was in the banking business in a medium size town in Indiana.) Senator Bayh handwrote a 3-page personal letter to you urging the appointment of P.A. to the Federal Reserve Board. The Presidential Personnel office did not recommend him for the vacancy to which Nancy Teeters was appointed. Since that time the Senator has been lobbying the White House staff in favor of P.A.'s appointment in the future. My staff encouraged Senator Bayh and P.A. to consider other positions, but they appear to be set on the Federal Reserve.

The complicating factor is that Senator Bayh has been a friend and supporter and this is the only important request he has made of us. As information, the Presidential Personnel office believes that P.A. Mack is not as qualified as other potential candidates for the next Federal Reserve vacancy.

B. Participants: The President
Senator Birch Bayh (D-Indiana)
Frank Moore

C. Press Plan: White House Photo

III. TALKING POINTS

- A. I have heard many good things about P.A. Mack from Frank and his staff and I know that he lent a hand when you were helping us during the campaign.
- B. The Presidential Personnel office is already looking into P.A.'s qualifications to serve on the Federal Reserve Board as well as other positions in the Federal government.
- C. Frank will keep you posted on developments.

THE WHITE HOUSE

WASHINGTON

December 13, 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: STU EIZENSTAT *Stu*

SUBJECT: Jim McIntyre's Memo on Consultation
Concerning Reorganization Proposals

The appendix to Jim's memo has fairly summarized my views on the proposed reorganization initiatives developed by his staff. I would like here to emphasize a few points.

1. I have no objection to consulting on all of the options developed by OMB, but I do have serious reservations about the economic development proposal which OMB's staff currently favors (merging EDA and other economic development programs into a HUD successor department).

2. There have been some suggestions that you need to be seen as continuing to "shake up" the government and that, therefore, we should send up a "bold" and comprehensive proposal, without worrying greatly about whether it will survive Congressional scrutiny. I strongly disagree:

-- The lesson of the last two years is that public support of you is strongest when you show competence and mastery of the government, propose sound policies and prevail.

-- Bold and comprehensive proposals which fail gain us credit with no one.

-- We should scrutinize OMB's proposals carefully and adopt only those features which appear worthwhile on the merits and have a reasonable chance of approval, with minimal damage to other priorities.

3. A major concern not noted in Jim's memo, about any large-scale reorganization in the economic development area, is the damage it will do to the efficient delivery of EDA and UDAG assistance during the critical period leading up to 1980. Those programs are now managed efficiently and responsively and are important political assets

(Frank Moore and Jack Watson can confirm for you the importance of EDA and UDAG to our Congressional and intergovernmental efforts). Major transfers of agency responsibilities will reduce their productivity during the critical period prior to 1980.

4. Until yesterday, it was my understanding that Jim was scheduled to submit a decision memo on the reorganization options on December 15. I now understand that this date is to be pushed back to Christmas (when you will be in Plains). It is imperative, I believe, that this date not be permitted to slip further, or, perhaps to be set at December 21, the day before you are scheduled to leave Washington for the holidays.



10:00 AM

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Department of Energy
Washington, D.C. 20585

December 15, 1978

MEMORANDUM FOR:

THE PRESIDENT

FROM:

JIM SCHLESINGER

SUBJECT:

First Energy Coordinating
Committee Meeting

On September 27, 1978 you approved Executive Order 12083 establishing a Cabinet-level Energy Coordinating Committee (ECC). The Committee's purpose is to improve communication and coordination among Executive agencies concerning energy policy and the management of energy resources. The first meeting of the Committee will be held Tuesday, December 19, 1978 at 10:00 a.m. in the Roosevelt Room. The ECC includes members of the Executive Office staff and the Secretaries or Administrators of twenty-three departments and agencies.

Establishment of the ECC helps fulfill a commitment made when the creation of the Department of Energy was originally proposed. At that time, we promised that the Federal Government would take all of the necessary steps to coordinate national energy policy and to ensure that the various agencies cooperate with each other to help solve the Nation's energy problems.

If your schedule permits, I would very much appreciate your visiting us for a few minutes at the beginning of the first meeting. Attached are draft talking points for your consideration.

I believe that your visiting this first meeting is important because it would visibly demonstrate your commitment to improving cooperation among agencies in the management of energy programs. The first agenda, furthermore, includes the problem of coordinating Federal permits for major energy facilities--a problem that the Business Round Table raised with you last June.

On June 15, 1978 you met with the Business Round Table in the Cabinet Room. You committed the Administration to responding to complaints that decisions on the siting of major energy facilities take too long. An OMB-chaired

task force on coal-fired power plants and coal mines has addressed this issue. We have also supported the Nuclear Siting and Licensing bill to help streamline decision-making on nuclear power plants. We are now proposing that OMB chair an ECC task force to build upon their earlier efforts and consider more generic problems such as delays resulting from consecutive (versus concurrent) review of major energy facilities by Federal, state, and local governments.

I strongly believe that this is the right time to launch a major Administration effort to tackle the energy facility siting issue. This initiative is in complete harmony with three major themes of this Administration:

- Rationalizing energy policy and ensuring that a reasonable balance exists between energy and environmental goals.
- Bringing inflation under control and eliminating some of its basic causes, such as government inefficiency.
- Making the Government more responsive by reforming the regulatory process.

In my view, a strong endorsement of this Committee from you personally at the first meeting would give us the impetus we need to get started in the right direction. The agenda for the first meeting also includes proposals to establish ECC task forces to improve coordination in implementing the National Energy Act and the Uranium Mill Tailings Radiation Control Act. We need your support in all of these efforts.

Attachment

Talking Points for the President
Energy Coordinating Committee Meeting
Roosevelt Room, The White House
Tuesday, December 19, 10:00 a.m.

- Solutions to our Nation's energy problems will rely on the cooperation and coordination of all levels of government. I view the establishment of this Committee as an essential step in that direction. I expect you to work together and I expect you to find the right answers to our problems.
- I am very pleased to see that you are addressing the extremely important issue of energy facility siting at your first meeting.
- Last June, Jim Schlesinger, Doug Costle, Cecil Andrus and I met with members of the Business Round Table. One of the most important and controversial issues on the agenda was the need to improve Federal energy facility siting and permitting procedures. I made a commitment at that time to do all I could to find solutions to the problem.
- Seeking a more rational and expeditious permitting process is totally consistent with three of the most important objectives of my Administration:
 - Rationalizing energy policy and ensuring that a reasonable balance exists between environmental and energy goals.
 - Bringing inflation under control and eliminating its basic causes such as government inefficiency.
 - Making the government more responsive to the people through reform of the regulatory process.
- We need to do everything in our power to eliminate waste and inefficiency in government and to respond honestly to our people's concern that their government is slow and obfuscatory. The amount of time it takes us to do the simplest things is often disgraceful. I'm counting on you to reform this process and cut the review times back to the absolute minimum.
- Whether you are working together on the siting problem or any of the other major energy issues that you plan to address, I want you to remember that I expect to see a great deal of real progress in solving these problems. It's the results that count.
- Good luck -- you have my full support.

U. S. DEPARTMENT OF LABOR
OFFICE OF THE SECRETARY
WASHINGTON

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DEC 19 1978

MEMORANDUM FOR: THE PRESIDENT

FROM: SECRETARY OF LABOR *for*

SUBJECT: Economic Policy

The unemployment rate is likely to exceed 7 percent before the next election. I am aware that the EPG deputies expect the unemployment rate to go no higher than 6.4 percent by then. My alternative forecast is based on the same assumptions about our policies as the EPG forecast.

In this memo, I discuss our current policy dilemma recognizing that we cannot be certain about the forecast. I recommend that we stand ready to act to prevent the unemployment rate from exceeding 7 percent.

Background

Your recent decisions have set a new direction for economic policy. I concur with these decisions. As you know, I initially suggested to you the necessity for the current wage/price standards program. That was an unusual step for a Secretary of Labor but I felt such a program was necessary in order to avoid the alternatives of recession or mandatory controls.

I also recognize that tight restraint on the Fiscal 1980 budget is useful in reducing inflationary pressures and in creating an environment in which the standards have a chance to work. But I hope we are alert to the possibility of a recession and prepared to change our policies if conditions change.

Our current policies appear to be popular. They can remain so if recession is avoided. And it may well be possible that our economy can walk a narrow tightrope over the next two years with moderate growth, lower inflation and no recession. But this will require good luck, and we should be prepared to change our policies if our luck does not hold up.

At present, the public views inflation as a greater problem than unemployment. But this was not the case during the last recession nor would it be if another recession were to appear. The public abhors inflation because they view it as reducing their real incomes. When harvests fail or OPEC raises prices, the nation as a whole is poorer and must consume less. But the general public does not receive a cut in money income to signal it to consume less; instead prices rise and the given incomes buy less. This experience causes the public to blame the inflation for the reduction in their incomes.

If we then attack inflation by reducing economic growth, we hurt those incomes even more. There can be no doubt that with recession the income of the average American family will fall behind inflation. This is the case even if the recession reduces inflationary pressure.

Personally, I doubt that recessions do reduce inflationary pressure. I feel they foster inflation by causing the adoption of restrictive work practices, higher payroll taxes to pay for unemployment compensation and by reducing productivity.

But even if a recession would moderate inflation, it would do so at an unacceptable cost. The EPG deputies, for example feel the inflation rate would fall only one point per year for every three points we increase the unemployment rate. I don't believe the public would approve a policy that reduced the inflation rate from 7-1/2 to 7 percent while raising the unemployment rate from 6 to 7-1/2 percent. National output would be lower by over \$375 per person in this case--\$1500 for a family of four--and this is too high a price to pay for such a modest gain in the form of lower inflation.

The Forecast

The recession is not inevitable. Indeed, a 7 percent unemployment rate can be reached before the election without a formal recession. But the possibility of a recession is large enough that we cannot avoid preparing for one.

I am not the only one who believes the economy will be weak. Others within the Administration concur. The Congressional Budget Office predicts the beginning of an outright recession in late 1979, as do many private forecasters.

My disagreement with the EPG forecast is based on several factors.

- o State and Local spending will be even weaker than forecast because of the substantial reduction in federal grants.
- o The EPG forecasts business investment to grow by 4.5 percent in 1979 and 4.2 percent in 1980. Yet surveys of businessmen indicate they are planning no real growth in the future.
- o The EPG expects the Fed to lower interest rates after mid 1979. Yet the EPG predicts an inflation rate of 7.4 percent in 1979, a rate not likely to cause the Fed to moderate its stance. If interest rates do not decline, housing will not rise in 1980 as the EPG predicts.
- o Productivity may rebound more than the EPG expects. Because this is extremely hard to forecast, one cannot rule out productivity growth at a 1 percent rate in 1979. This is 1/2 percent larger than in the EPG forecast. This would reduce inflationary pressure but increase unemployment since the same production could then be accomplished with fewer workers.

Recommendations

I have several recommendations for the inter-related set of decisions you must now make concerning economic policy and the documents that transmit that policy to Congress and the public.

1) Make it clear to the public that the \$30 billion deficit figure depends upon the economic assumptions and that the deficit will have to increase if the economy falters. We do not want ourselves in the position of being blamed for making inflation worse if the deficit grows as the economy weakens.

2) Work out a set of contingency plans, including discussions with Congressional leaders, so that prompt action can be taken to avoid a 7 percent unemployment rate if my fears turn out to be an accurate prediction of the underlying economic strength of the economy. While this process can be begun immediately, there is time to prepare plans since I don't expect we will see any weakness until the second half of 1979.

The economy is doing well now and a tax cut will be received on January 1. This will lead to further strength in the near future. At the end of 1979, however, the effect of the higher ceiling for social security taxes will be felt and there will be no tax cut boost in January 1, 1980 to keep the economy moving. Weakness can be expected then.

3) Begin sectoral anti-inflationary policies so that the inflation forecast can be reduced to the 6 to 6-1/2 percent level stated as a goal in your October speech.

While I favor publishing what we believe, I think our anti-inflation program will run into trouble if we publish an inflation forecast above the wage guideline. The way out of the dilemma is to strengthen the policy so a lower inflation rate can be achieved. I feel the sectoral approach still has great promise and recommend a new effort in that direction.